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Norma Binkley

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

NORMA BINKLEY,

Plaintiff,

VS.

**ANTHEM LIFE INSURANCE
COMPANY and REACHLOCAL,
INC. WELFARE PLAN**

Defendant.

| CASE NO:

**COMPLAINT FOR BREACH OF
THE EMPLOYEE RETIREMENT
INCOME SECURITY ACT OF
1974 (“ERISA”); ENFORCEMENT
AND CLARIFICATION OF
RIGHTS; PRE-JUDGMENT AND
POST-JUDGMENT INTEREST
AND ATTORNEYS’ FEES AND
COSTS.**

Plaintiff Norma Binkley herein sets forth the allegations of her Complaint against defendant Anthem Life Insurance Company.

PRELIMINARY ALLEGATIONS

1. “Jurisdiction” – This action is brought under 29 U.S.C. §§ 1132(a), (e), (f) and (g) of the Employee Retirement Income Security Act of 1974 (hereinafter “ERISA”) as it involves a claim by Plaintiff for employee benefits under an employee benefit plan regulated and governed under ERISA. Jurisdiction is predicated under these code sections as well as 28 U.S.C. § 1331 as this action involves a federal question. This action is brought for the purpose of recovering benefits under the terms of an employee benefit plan, enforcing Plaintiff’s rights under the terms of an employee benefit plan, and to clarify

1 Plaintiff's rights to future benefits under an employee benefit plan. Plaintiff seeks
2 relief, including, but not limited to, payment of benefits, prejudgment and post-
3 judgment interest, reinstatement to the benefit plans at issue herein, and attorneys'
4 fees and costs.

5 2. Plaintiff was at all times relevant, an employee of ReachLocal, Inc.
6 and a resident in Los Angeles County, State of California.

7 3. Plaintiff is informed and believes that defendant Anthem Life
8 Insurance Company ("Anthem Life") is a corporation with its principal place of
9 business in the State of Georgia, authorized to transact and transacting business in
10 the Central District of California and can be found in the Central District of
11 California. Anthem Life is the insurer of benefits under the ReachLocal, Inc.
12 Welfare Plan ("LTD Plan") and has acted in the capacity of a plan administrator.
13 Anthem Life administered the claim with a conflict of interest and the bias this
14 created affected the claims determination.

15 4. Plaintiff is informed and believes that Anthem identifies the group
16 long term disability policy it issued to ReachLocal, Inc. as Group Policy No.
17 166297 ("the Policy").

18 5. Plaintiff is informed and believes that the Policy was intended by
19 Anthem Life to insure citizens of the State of California, including plaintiff herein,
20 Norma Binkley.

21 6. Plaintiff is informed and believes that the Policy had an annual
22 contract renewal and was renewed subsequent to January 1, 2012.

23 7. Defendant can be found in this judicial district and the LTD Plan is
24 administered in this judicial district. The LTD claim at issue herein was also
25 specifically administered in this judicial district. Thus, venue is proper in this
26 judicial district pursuant to 29 U.S.C. § 1132(e)(2).

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FIRST CAUSE OF ACTION

AGAINST ANTHEM LIFE INSURANCE COMPANY AND

REACHLOCAL WELFARE PLAN FOR PLAN BENEFITS,

ENFORCEMENT AND CLARIFICATION OF RIGHTS,

PREJUDGMENT AND POSTJUDGMENT INTEREST, AND

ATTORNEYS' FEES AND COSTS

8. Plaintiff incorporates by reference all preceding paragraphs as though fully set forth herein.

9. At all times relevant, Plaintiff was employed by ReachLocal, Inc., and was a covered participant under the terms and conditions of the LTD Plan. The LTD Plan was insured by Defendant Anthem Life by virtue of Group Policy No. 166297 and Anthem Life was also the Plan claims administrator and made all decisions to pay or deny benefit claims.

10. During the course of Plaintiff's employment, Plaintiff became entitled to benefits under the terms and conditions of the LTD Plan. Specifically, while Plaintiff was covered under the LTD Plan, Plaintiff suffered a disability rendering Plaintiff disabled as defined under the terms of the LTD Plan.

11. Pursuant to the terms of the LTD and Life Insurance Plan, Plaintiff made a claim to Anthem Life for LTD benefits under the LTD Plan. Specifically, while Plaintiff was covered under the LTD Plan, Plaintiff suffered a disability rendering Plaintiff disabled as defined under the terms of the LTD Plan. Plaintiff is informed and believes that her claim was assigned Claim No. LT00261167 by Anthem Life.

12. In or about June 2013, Plaintiff ceased work due to her disabling condition. Thereafter Plaintiff submitted a claim for LTD benefits to the Defendants. On or about July 19, 2016, defendants denied the claim for benefits on the grounds that Plaintiff did not timely file her claim.

1 13. Under the unpreempted law in the State of California, an insurer may
2 not deny an alleged untimely claim submission unless the insurer has conducted a
3 notice/prejudice inquiry and has determined that it actually sustained prejudice by
4 the untimely claim submission. *Unum v. Ward*, 526 U.S. 358, 119 S. Ct. 1380
5 (1999).

6 14. Plaintiff thereafter timely appealed the claim denial and on May 18,
7 2017, defendant advised plaintiff that it was returning the file to its Claims Unit to
8 conduct a “further investigation” to determine whether defendant sustained
9 prejudice due to the allegedly untimely claim submission.

10 15. Plaintiff has exhausted her administrative remedies under the Plan in
11 that she timely appealed the denial of her claim submission based on the reasons
12 set forth in Anthem’s July 19, 2016 denial letter

13 16. Anthem Life breached the LTD and Life Plan and violated ERISA in
14 the following respects:

15 (a) Failing to pay LTD benefit payments to Plaintiff at a time
16 when Anthem Life knew, or should have known, that Plaintiff was entitled
17 to those benefits under the terms of the LTD Plan, as Plaintiff was disabled
18 and unable to work and therefore entitled to benefits. Even though Anthem
19 Life had such knowledge, Anthem Life denied Plaintiff’s LTD benefits;

20 (b) Failing to provide a prompt and reasonable explanation of the
21 basis relied on under the terms of the LTD Plan documents, in relation to
22 the applicable facts and LTD Plan provisions, for the denial of Plaintiff’s
23 claims for LTD benefits;

24 (c) After Plaintiff’s claim was denied in whole or in part, Anthem
25 Life failed to adequately describe to Plaintiff any additional material or
26 information necessary for Plaintiff to perfect her claim along with an
27 explanation of why such material is or was necessary; and

1 (d) Failing to properly and adequately investigate the merits of
2 Plaintiff's disability claim and failing to provide a full and fair review of
3 Plaintiff's claim.

4 17. Plaintiff is informed and believes and thereon alleges that Defendants
5 wrongfully denied her disability benefits under the LTD Plan by other acts or
6 omissions of which Plaintiff is presently unaware, but which may be discovered in
7 this future litigation and which Plaintiff will immediately make Defendants aware
8 of once said acts or omissions are discovered by Plaintiff.

9 18. Following the denial of benefits under the LTD Plan, Plaintiff
10 exhausted all administrative remedies required under ERISA, and Plaintiff has
11 performed all duties and obligations on Plaintiff's part to be performed under the
12 LTD Plan.

13 19. As a proximate result of the aforementioned wrongful conduct of
14 defendants, Plaintiff has damages for loss of disability benefits in a total sum to be
15 shown at the time of trial.

16 20. As a further direct and proximate result of this improper
17 determination regarding Plaintiff's LTD claim, Plaintiff, in pursuing this action,
18 has been required to incur attorneys' costs and fees. Pursuant to 29 U.S.C. §
19 1132(g)(1), Plaintiff is entitled to have such fees and costs paid by Defendants.

20 21. The wrongful conduct of defendants has created uncertainty where
21 none should exist, therefore, Plaintiff is entitled to enforce her rights under the
22 terms of the LTD Plan and to clarify her right to future benefits under the terms of
23 the LTD Plan.

24 **REQUEST FOR RELIEF**

25 WHEREFORE, Plaintiff prays for relief against Defendant as follows:

26 1. Payment of disability benefits due Plaintiff up to and including the
27 date of Judgment;

1 2. An order declaring that Plaintiff is entitled to immediate
2 reinstatement to the LTD Plan, with all ancillary benefits to which she is entitled
3 by virtue of her disability, and that benefits are to continue to be paid under the
4 LTD Plan for so long as Plaintiff remains disabled under the terms of the LTD
5 Plan;

6 4. Pursuant to 29 U.S.C. § 1132(g), payment of all costs and attorneys'
7 fees incurred in pursuing this action;

8 5. Payment of prejudgment and post-judgment interest as allowed for
9 under ERISA; and

10 6. Such other and further relief as this Court deems just and proper.

13 DATED: June 5, 2017

KANTOR & KANTOR, LLP

14 By: /s/ Corinne Chandler
15 Corinne Chandler
16 Attorneys for Plaintiff,
Norma Binkley

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